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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

SOURDOUGH & CO., INC.,

Plaintiff,

v.

WCSD, INC., a California corporation;
GSD FOODS, INC., a California
corporation; GURMINDER BHATIA, an
individual; DAVINDER SINGH, an
individual; POWERGLIDE HOLDINGS,
LLC, a California limited liability
company; KALDEEP UPPAL, an
individual; KARNDEEP UPPAL, an
individual; SD-FOLSOM, INC., a
California corporation; and Does 1–25,

Defendants.

No. 2:20-cv-01226-TLN-CKD

ORDER

WCSD, INC., a California corporation,

Counter-Claimant,

v.

SOURDOUGH & CO., INC., a California
corporation,

Counter-Defendant.

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1 This matter is before the Court on Counter-Defendant Sourdough & Co., Inc.’s
2 (“Sourdough & Co.”) Motion to Dismiss Counterclaim. (ECF No. 18.) Counter-Claimant
3 WCSD, Inc. (“WCSD”) has filed a statement of non-opposition. (ECF No. 25.) For the reasons
4 set forth herein, the Court GRANTS Sourdough & Co., Inc.’s Motion.

5 On June 17, 2020, Sourdough & Co. filed the instant action against WCSD and
6 Defendants GSD Foods, Inc., Gurminder Bhatia (“Bhatia”), Davinder Singh, Powerglide
7 Holdings, LLC, Kaldeep Uppal, Karndeepp Uppal, and SD-Folsom, Inc. (collectively,
8 “Defendants”), alleging various federal and state law claims for trademark infringement, unfair
9 competition, and false advertising. (*See* ECF No. 1.) Sourdough & Co. alleges all Defendants
10 except WCSD are former licensees of trademarks owned by Sourdough & Co., who “were
11 wrongfully induced to terminate their license agreements by way of tort[i]ous and illegal conduct
12 organized and executed by Defendant Bhatia, who used false and defamatory statements about
13 [Sourdough & Co.] to induce [them] to become licensees of WCSD, or its affiliates, utilizing the
14 name and mark ‘West Coast Sourdough.’” (ECF No. 1 at ¶¶ 14–15.)

15 On August 26, 2020, WCSD filed an Answer and Counterclaim against Sourdough & Co.,
16 alleging claims for: (1) declaratory judgment of non-infringement concerning use of the “West
17 Coast Sourdough” trademark; (2) cancellation of Sourdough & Co.’s federal trademark
18 registration for “Sourdough & Co.” (Reg. No. 5343030); (3) cancellation of Sourdough & Co.’s
19 federal trademark registration for its design mark (Reg. No. 5370126); (4) declaratory judgment
20 as to Sourdough & Co.’s sale of unregistered franchises; (5) unfair business practices and unfair
21 competition in violation of Cal. Bus. & Prof. Code §§ 17200–17210; and (6) interference with
22 prospective economic advantage.¹ (*See* ECF No. 15 at 12–17.)

23 On September 16, 2020, Sourdough & Co. filed a motion to dismiss WCSD’s fifth
24 counterclaim alleging unfair business practices and unfair competition in violation of California’s

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26 ¹ WCSD labels both its unfair business practices and unfair competition counterclaim as
27 well as its interference with prospective economic advantage counterclaim as the “Fifth Cause of
28 Action.” (ECF No. 15 at 16–17.) However, since both claims have separate headers and allege
different causes of action, the Court construes WCSD’s interference with prospective economic
advantage counterclaim as its sixth counterclaim.

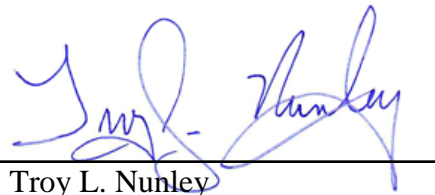
1 unfair competition law (“UCL”), Cal. Bus. & Prof. Code §§ 17200–17210. (ECF No. 18.)
2 Sourdough & Co. argues WCSD fails to meet the standing requirements of the UCL, as WCSD
3 “does not plead facts showing any direct dealings with Sourdough [& Co.], nor does the
4 Counterclaim demonstrate any actual injury suffered, including lost money or property due to
5 Sourdough [& Co.’s] purported unfair competition.” (ECF No. 18-1 at 3–4.) Sourdough & Co.
6 further argues WCSD fails to allege “it has lost customers or economic opportunity, nor does
7 [WCSO] allege that it has lost prospective franchisees or business opportunities because of
8 Sourdough [& Co.]” (*Id.* at 6.) On October 29, 2020, WCSO filed a statement of non-opposition.
9 (ECF No. 25.)

10 With its statement of non-opposition, WCSO implicitly concedes the arguments made by
11 Sourdough & Co. in its motion to dismiss. Accordingly, the Court GRANTS Sourdough & Co.’s
12 motion to dismiss WCSO’s fifth counterclaim. (ECF No. 18.)

13 IT IS SO ORDERED.

14 DATED: July 1, 2021

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Troy L. Nunley
United States District Judge